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#### GENERAL ASSEMBLY

#### PROVISIONAL VERBATIM RECORD OF THE FORTIETH MEETING

Held at Headquarters, New York,  
on Friday, 16 November 1990, at 10.30 a.m.

- President: Mr. de MARCO (Malta)
- later: Mr. MAVROMMATIS (Cyprus)  
(Vice-President)
- later: Mr. de MARCO (Malta)
- Development and international economic co-operation [79]
- (c) Review and appraisal of the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries: report of the Secretary-General

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The meeting was called to order at 10.45 a.m.

AGENDA ITEM 79

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

- (c) REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES: REPORT OF THE SECRETARY-GENERAL (A/45/695)

The PRESIDENT: As members will recall, at its 30th meeting, on 15 October 1990, the General Assembly decided that the debate on agenda item 79, sub-item (c), entitled "Review and appraisal of the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries", would, in view of the importance of the issue, be held directly in the plenary Assembly, on the understanding that appropriate action on the sub-item would be taken by the Second Committee. Accordingly, the debate on sub-item (c) of agenda item 79 is being held at this meeting.

The report of the Secretary-General on the Second United Nations Conference on the Least Developed Countries has been circulated in document A/45/695.

I propose that the list of speakers in the debate on this item be closed this morning at 11 a.m. If there is no objection, I shall take it that the Assembly adopts that proposal.

It was so decided.

The PRESIDENT: I therefore request representatives wishing to participate in the debate to put their names on the list of speakers as soon as possible.

The first speaker is the representative of Bolivia.

Mr. NAVAJAS MOGRO (Bolivia) (interpretation from Spanish): Speaking on behalf of the Group of 77, Mr. President, it is always a source of satisfaction to see your important post filled by as distinguished a member of the Group as you. I

(Mr. Navajas Mogro, Bolivia)

therefore wish to express my satisfaction at the fact that you are presiding over this important meeting to consider the outcome of the Second United Nations Conference on the Least Developed Countries, which was held in Paris in September 1990.

In his recent report (A/45/695) the Secretary-General stated that, taken together, the Paris Declaration and the Programme of Action for Least Developed Countries for the 1990s, which was adopted at that Conference, are a reflection of the determination of the international community to act urgently and effectively to arrest and reverse the deterioration in the socio-economic situation in the least developed countries and to revitalize their growth and development, based on the principle of shared responsibility and strengthened co-operation.

(Mr. Navajas Mogro, Bolivia)

It must be recalled that in the Paris Declaration several priority areas of the Programme of Action were identified. Their implementation will require reinforcement of the efforts of the least developed countries by external support measures. It was recognized, for example, that in an increasingly interdependent world national policies have little chance of succeeding without a supportive external environment and supportive international action. In that context, the fundamental role of official development assistance and, in particular, the need to increase its volume substantially was stressed. Similarly, the commitment of all countries to provide a lasting solution to the debt problem of the least developed countries, as well as to contribute to the integration of those countries into the international trading system, through greater market access, was reiterated.

In the Declaration of Ministers of Foreign Affairs of October 1990, the Group of 77, while taking note of the positive outcome of the Conference, also expressed its firm conviction that the international community would continue to pay serious attention to the special needs of the least developed countries and fully implement the commitment undertaken in the Substantial New Programme of Action for the 1980s for the Least Developed Countries, particularly with regard to the three aforementioned issues.

With respect to official development assistance, the Programme of Action clearly establishes the commitments assumed by the different categories of donor countries, grouped according to their aid policies and their activities with respect to the least developed countries. In accordance with these commitments: first, donor countries which already provide more than 0.20 per cent of their gross national product should continue to do so and even increase their efforts; secondly, those countries which have met the target of 0.15 per cent set by the previous Programme of Action should commit themselves to reaching the target of

(Mr. Navajas Mogro, Bolivia)

0.20 per cent by the year 2000; and, thirdly, those committed to the 0.15 per cent target should reaffirm that objective and recommit themselves to achieving it within the next five years or do everything possible to accelerate their endeavours to reach that figure. It goes without saying that all the countries agreed that those resources should be provided in concessional terms.

According to preliminary estimates made by the secretariat of the United Nations Conference on Trade and Development (UNCTAD) mentioned in the report by the Secretary-General to which I have already referred, the implementation of those undertakings could result in an average growth rate of the gross domestic product of the least developed countries of about 1 percentage point lower than that necessary to achieve the conditions for recovery presented by the UNCTAD secretariat to the Conference. Thus, although these commitments can be thought of as a positive outcome, they cannot fully meet the external capital requirements of the least developed countries, and consequently other ways and means must be sought to enable those countries to obtain additional financing in order to achieve accelerated economic growth.

With regard to the external indebtedness of the least developed countries, in the Programme of Action for the 1990s for the Least Developed Countries it is recognized that the debt overhang continues to be a major obstacle to the development plans of the least developed countries. That overhang does not allow for adjustment with growth and makes more difficult the political commitment necessary for reform. The Programme also underscores the need to strengthen the efforts made in the context of the international debt relief strategy and invites the international community to take concrete measures to alleviate the debt burden and increase concessional financing.

(Mr. Navajas Mogro, Bolivia)

As far as official bilateral debt is concerned, for example, all donor countries are urged to implement measures to cancel or provide equivalent relief for bilateral concessional - or official-development-assistance debt - as a matter of priority, and important recommendations are made pertaining to other official bilateral non-concessional debts. According to the report of the Secretary-General, these appeals and recommendations seem to have already achieved some important results.

I should mention that the Government of France, which lent all its valuable co-operation to ensuring the holding of this important Conference in Paris, announced during the Conference the cancellation of the bilateral concessional debts of the least developed countries in other regions of the world, in addition to measures already taken to cancel the debt of the least developed countries of Africa. Similarly, mention must be made of the proposal of the Netherlands during that Conference calling for the collective and complete cancellation of the bilateral official debt of the severely indebted least developed countries. Mention must be made also of the United Kingdom proposal at the meeting of the Finance Ministers of the Community in September 1990 - a proposal for a significant improvement in the Toronto terms through an initial reduction of two thirds of outstanding official debt.

It is important to emphasize also that in the recent report by the representative of the United Nations Secretary-General on debt matters, which was based, among other things, on consultations carried out by the author with the Governments of the developed countries, new forms of debt alleviation for low-income countries, including, obviously, the least developed countries, were proposed, calling for the complete cancellation of official-development-assistance debt of the least developed countries as well as for the conversion of bilateral non-concessional debt into longer-term loans.

(Mr. Navajas Mogro, Bolivia)

To sum up, the international community seems to be perfectly aware of the official bilateral debt problem of the least developed countries and to be increasingly committed to making all the necessary efforts to solve it.

Finally, in the Programme of Action multilateral institutions and development funds, particularly those providing credit under non-concessional terms, are invited to consider seriously the possibility of taking measures aimed at alleviating the burden of the debt the least developed countries owe them, taking into account the need to preserve those institutions' prestige in international financial markets as well as their sound financial basis.

Lastly, donor countries, commercial banks and non-governmental organizations are urged to consider various mechanisms to alleviate the commercial debt burden of the least developed countries.

(Mr. Navajas Mogro, Bolivia)

With regard to the difficulties facing the least developed countries in relation to their foreign trade, in the Programme of Action emphasis is placed on the agreement to pay special attention, within the framework of multilateral trade negotiations, to the needs of the least developed countries, early application of the most-favoured-nation clause, elimination or substantial reduction of tariff and other barriers, and increased liberalization of trade in textiles and clothing, together with other measures. Specific measures pertaining to greater use and improvement of the generalized system of preferences are also set out. All these measures will contribute to improving access to international markets for products originating in the least developed countries. In this regard emphasis was placed on the need for these countries to diversify their exports and strengthen multilateral co-operation in the area of commodities. Finally, the importance is recognized of compensatory financing as a short-term measure to help absorb the shock of strong swings in the export earnings of the least developed countries.

The Group of 77 wishes to express its deep concern at the unabated crisis affecting the development efforts of the least developed countries. It hopes that all the provisions in the Programme of Action for the Least Developed Countries for the 1990s will be implemented as soon as possible.

Mr. TRAXLER (Italy) (interpretation from French): Speaking on behalf of the European Community and its member States, I wish first to express our Governments' satisfaction with the success of the Second United Nations Conference on the Least Developed Countries, which was held in Paris last September. I wish also to thank not only the host country but also the United Nations Conference on Trade and Development (UNCTAD), as secretariat of the Conference.

The Twelve believe that the Paris Conference was an event of major importance for international economic co-operation.

(Mr. Trexler, Italy)

The European Community and its member States reaffirm their full commitment to the basic principle underlying the Declaration adopted in Paris, namely, strengthened partnership based on viable national policies, a higher level of international co-operation based on the rejection of any marginalization of the least developed countries and on a favourable international economic climate, the objective being to bring about accelerated economic growth in the least developed countries.

Furthermore, I wish to emphasize that we see in the documents adopted in Paris a realism and overall balance that will certainly facilitate the efforts to give effect to the agreed principles.

With regard to the fundamental aspects of development co-operation, the Conference on the Least Developed Countries adopted provisions that are exemplary from the point of view of clarity and their far-reaching nature: provisions on the importance of human resources development, respect for fundamental freedoms and human rights, a satisfactory system of government, democracy, the environment, the importance of official development assistance and the debt problem. All these issues are dealt with most eloquently in the documents adopted in Paris.

In support of the Conference decisions, I wish to emphasize that the European Community and its member States continue to consider development co-operation with the poorest countries a top priority. Our increased co-operation with the countries of Eastern Europe in no way affects the determination of the Community and its member States to strengthen their co-operation with the developing countries, in particular with the least developed countries.

The Twelve are very much aware of the burden on these countries and of the present deterioration of their economic situation, especially after the increase in energy prices as a consequence of the invasion of Kuwait. If this situation were

(Mr. Traxler, Italy)

prolonged it could lead to a worsening of the development prospects of a considerable number of the least developed countries.

In trying to assess the development prospects of these countries in the 1990s we must always keep in mind that there are substantial differences among them and that their situation and prospects are not uniform. The least developed countries with the major difficulties are those which in the 1980s experienced local conflicts and insecurity. In the economic field some of them followed unsuitable national policies, including excessive military expenditure, which added substantially to the impact of unfavourable external conditions.

Stagnation in agricultural production, excessive population growth and degradation of basic natural resources are the main elements of the negative economic cycle of most of the least developed countries. This cycle manifests itself in different ways, with important variations from country to country, but the link between these elements is common to most of them. This cycle must be broken if the least developed countries are to resume their growth. It is clear that the national policies that these countries must pursue to this end will require the large-scale active support of both bilateral and multilateral donors.

One of the priorities singled out in the Programme of Action is the promotion of an integrated policy of rural development with the aim of increasing food production, enhancing rural income and developing the activities of the non-agricultural sector.

The Twelve recognize that during the latter part of the 1980s major policy reforms were initiated by many of the least developed countries to carry out structural transformations of their economies, to reduce budgetary and balance-of-payment deficits, to adapt to market conditions and to stimulate the

(Mr. Traxler, Italy)

contribution of the private sector and private initiative to the economic development effort. The Twelve support these reforms because we are convinced that they constitute the essential prerequisites for reversing the continuous decline in growth in these countries in the last 20 years. The least developed countries that are carrying out these reforms in a coherent way are already seeing growth rates which, although certainly still too modest, at least constitute a positive trend. Before the recent energy price rises, the growth prospects of the least developed countries were better for the five years to come than they had been in the past five years.

(Mr. Traxler, Italy)

We recognize that a very important factor, in fact vital, factor in improving the development prospects of these countries will be the existence of a more favourable international environment. The main responsibility for ensuring this falls of course on the shoulders of the industrialized countries. The least developed countries need more open access to markets, a more liberal trade system, appropriate debt relief and effective help in their national efforts to protect the environment. At the same time, they will need higher levels of external support, particularly in the form of official development assistance to supplement their national efforts.

The Governments that I have the honour to represent in this discussion are committed to attainment of the targets agreed upon in Paris. Despite constraints on national budgets, including constraints deriving from the macro-economic effects of the Gulf crisis, the European Community and its member States will continue to make efforts that should allow the Community as a whole to exceed, by the end of the decade, the official development assistance target of 0.15 per cent of gross national product. Our commitment in terms of allocating such assistance to the least developed countries demonstrated in the latest Lomé Convention, to which 33 out of the 41 least developed countries have acceded.

In this framework, the member States of the Community reaffirm their commitment to attain the accepted United Nations target of devoting 0.7 per cent of their gross national product to official development assistance. The latest Lomé Convention has brought about a 26 per cent increase, in real terms, in financial aid and improvement in the operation of such existing instruments as STABEX, and sets out measures to support structural adjustment, including provisions to deal, in particular, with the social repercussions of adjustment programmes.

(Mr. Traxler, Italy)

The Community has also undertaken to co-operate with the least developed countries that are not signatories to the Lomé Convention. The Community will further strengthen its development efforts with regard to these countries also.

Many of the least developed countries depend on the earnings from exporting one or two basic commodities. The Twelve intend not only to assist these countries in stabilizing their export earnings from basic commodities, but also to help in developing diversification in production and processing. The Twelve encourage other countries to adopt co-operation plans similar to our STABEX facilities. We have further liberalized STABEX and have extended it to the least developed countries that are not parties to the Lomé Convention.

The dependence of many least developed countries on exporting a few basic commodities has magnified the negative effects on them of adverse conditions in the commodity markets. We must recognize that, despite the mitigating effects that innovative instruments such as STABEX have had on fluctuations in export revenues, the impact of price movements on many least developed countries has been noticeable. That is why in the future a more general review of compensatory financing mechanisms should be undertaken. Economic reforms in a number of developing countries are vulnerable to the long-term adverse trend in the real prices of raw materials.

The Community and its member States have indicated, in the Preparatory Committee for the Paris Conference, that they are willing to make wider use of various forms of multilateral co-operation likely to further assist the weaker partners in the market; I have in mind here also agreements free of economic conditions, as well as working parties and study groups.

The Community and its member States will also play a full part in the international co-operation which we hope will take place through the early

(Mr. Traxler, Italy)

implementation of measures to be financed out of the second window of the Common Fund; through the improved functioning and the revitalization of existing commodity agreements, which must reflect and be consistent with market trends; and through commodity co-operation in other fields.

The European Community firmly believes that an open, multilateral trading system, resisting protectionist pressures, is an essential condition of growth and sustained development. The Community, which has long been aware of the special needs of the least developed countries, has been in the forefront in affording access to its markets to most of the exports of the least developed countries.

The European Community has a generalized system of preferences which has been continuously improved and in which several aspects of the original rules have been liberalized. The Community reiterates the need to make further efforts to help the least developed countries to benefit more fully from the generalized system of preferences.

Turning to the debt problem, the Paris Conference once again underlined how heavy a burden external indebtedness has become for many of the least developed countries. The member States of the European Community have formulated proposals that are contributing to the search for solutions at the international level. The Twelve have a special role to play in this field, because they are the creditors in the case of a very large portion of the debt of the least developed countries. In 1988 sub-Saharan Africa owed half of its bilateral official debt to countries members of the Community. The Twelve recognize that further improvement of the relief measures by creditor Governments in the Paris Club is necessary.

The Twelve have already made a considerable effort: \$8 billion of official debt has been or is being cancelled by our Governments. The outcome of the Paris Conference will facilitate further steps in this direction, and will give an

(Mr. Traxler, Italy)

impetus to the coherent application of existing United Nations Conference on Trade and Development (UNCTAD) resolutions on this type of official debt of the least developed countries. We recall also that the Programme of Action calls upon multilateral institutions to consider measures to alleviate the burden of the debt owed them by the least developed countries.

As I have said, one of the main prerequisites for lasting development is the development of human resources. I wish to draw attention to the vital role played by women in national development efforts, and the need to ensure that their contribution to development is fully recognized and maximized. In this regard too, the Programme of Action of the Paris Conference deserves the full support of the Twelve.

We welcome the recognition in the Programme of Action of the major contribution that non-governmental organizations can make to promoting in the least developed countries development based on participation.

The developing countries are increasingly recognizing that there is a vital connection between an open, democratic and accountable political system, in which human rights are respected, and the effective operation of the economic system. Respect for the individual through observance of fundamental human rights is the corner-stone of any policy of development of the human potential. In this connection the recent Maastricht Conference on Africa reached very interesting conclusions. In Maastricht the African countries strongly supported the concept that development must be a process centred on the human being and that food security and universal access to health services, education and employment must be the goals of that process. There was also a broad consensus that better government is needed in Africa.

(Mr. Traxler, Italy)

The Declaration adopted at the Dhaka Ministerial Meeting of the Least Developed Countries and the Arush Conference, which brought together some 500 participants from a wide range of African organizations, are important instances of the political will of the developing countries to adjust their national policies and priorities. The Paris Conference revealed the existence of consensus on these issues.

(Mr. Traxler, Italy)

The Twelve are convinced that there is now in the developing countries, including the least developed ones, a clearer and stronger demand for better government, greater accountability, transparency and popular participation in public affairs. This will help Governments to target their social programmes better, in particular to combat poverty as well as to reorient public spending and reduce wasteful expenditure.

I should like to make some comments on the environment - a subject on which the Paris Conference adopted very comprehensive and balanced provisions. As I said earlier, the least developed countries encountered major difficulties in preserving their natural resources throughout the 1980s. Desertification, deforestation, soil and water degradation have reached dramatic proportions. In order to reverse that trend many of the least developed countries are paying greater attention to environmental management. This represents an extra burden for the already overloaded national institutions and limited domestic resources.

The Community and its member States recognize that the least developed countries have a special need for external assistance in tackling environmental problems. The least developed countries are especially vulnerable and need additional resources for the environment. The environmental dimension is integrated into the development policy of the Community and of the Twelve, whose central aim is to make the environment a priority factor within the development efforts of these countries. The new Lomé Convention provides for the systematic consideration of environmental concerns at all stages of development operations.

One last point that I should like to comment upon is that of the revision of the criteria on the basis of which the list of the least developed countries was drawn up many years ago. The Paris Conference clearly recognized the need to review these criteria, in particular in order to introduce a dynamic element into their application. The Twelve are aware that, as requested by the Committee for

(Mr. Traxler, Italy)

Development Planning, its secretariat has already done some of the necessary preliminary work on the economic indicators of the least developed countries. The Twelve recommend that the Committee for Development Planning present its report on the revision of these criteria at the 1991 session of the Economic and Social Council in order to permit a thorough examination of the matter and appropriate action at the forty-sixth session of the General Assembly.

All countries, including the least developed, have no choice but to adapt their economic policies to the changing circumstances of the world economy. The Twelve will endeavour to sustain the structural reforms taking place in the least developed countries. Those countries should create conditions in which external assistance will be utilized effectively, thereby generating more resources and facilitating the productive investment of domestic savings.

The Twelve recognize that, for most of the least developed countries, private-sector financing will remain limited for some time to come and that the dependence of those countries on official development assistance will remain crucial. Most of the least developed countries will need higher concessional flows of resources to cover external financing needs for years to come. For this reason the Twelve reaffirm their commitment to reach the official development assistance targets agreed upon in Paris. The Twelve will continue their efforts to exceed, as a whole, the target of 0.15 per cent of GNP by the end of the decade.

The European Community and its member States will continue to strengthen their support for the least developed countries and will implement the decisions of the Paris Conference.

Mr. LEMERLE (France) (interpretation from French): My country had the honour of hosting the United Nations Conference on the Least Developed Countries, and it is as a representative of the host country that I am addressing the Assembly

(Mr. Lemerle, France)

today. I fully agree with the views expressed by the Permanent Representative of Italy on behalf of the European Community and its member States.

Before the Conference met, one thing was clear - that the targets set for the Substantial New Programme of Action for the 1980s for the Least Developed Countries, with a few, rare exceptions, had not been attained, and that the marginalization of these countries had not been checked. The Paris Declaration rejects the notion that the worsening of their situation is inevitable. As a consensus document it commits the international community as a whole to an action programme based on a strengthened partnership.

Under the terms of that Programme, the least developed countries, which are basically responsible for their own development, shall establish sound national policies based on democracy, aimed at economic progress and accompanied by measures to guarantee the protection of the poorest strata of their populations. Under those terms all their partners shall make available, in support of those policies, increased resources better adapted to the needs of the least developed countries. Also, the international environment should be favourable - which means that exchange rates should be relatively stable and interest rates made accessible to all by means of effective dialogue between the major developed countries. Along the same lines, too sharp fluctuations in the price of oil must, in the view of my country, be discussed among the partners concerned since they do not reflect the principle of competitiveness which is a condition for the sound functioning of the market economy.

I do not wish to go into too many details about the commitments contained in the Programme of Action. I merely wish to underline the appeal made by the President of the French Republic at the Paris Conference and indeed at this session of the General Assembly for the natural and induced solidarity of all the peoples of the planet. Whether they want it or not, the North and the South are partners

(Mr. Lemerle, France)

in a common history. The Gulf crisis has shown their solidarity in the face of the invasion of Kuwait by Iraq. That solidarity certainly applies to the countries directly affected. It also applies to all of those countries, and chief among them the least developed, which in applying their structural adjustment policies are bearing the brunt of the crisis, and in particular the higher oil prices. We welcome the fact that the action undertaken, particularly within the International Monetary Fund, seeks to give substance to that solidarity.

This difficult situation makes it essential to implement the co-operation commitments contained in the Paris Programme of Action in a disciplined and expeditious way and without any half measures. I am thinking of debt - bilateral debt, of which my country has undertaken to cancel F28.6 billion, or almost \$6 billion, but also multilateral debt where the Paris Programme of Action is following the right course.

(Mr. Lemerle, France)

I am also thinking of co-operation in the field of commodities, which is so necessary to the least developed countries, whose economies are largely based on the production of a few of these products. The combination of classic co-operation instruments, particularly commodities agreements and balance-of-payments assistance with sound diversification policies is essential for the least developed countries.

Finally, I am thinking of increased official development assistance, which for the first time has commanded a consensus among all partners in the international community, without exception. That commitment is a guarantee of solidarity, which is a necessary corollary of future growth for the least developed countries.

My country, together with Italy, has openly undertaken to attain by the year 2000 the goal of 0.20 per cent of its gross national product to be given to the least developed countries following the example of the Nordic countries.

An increase in international co-operation is essential for the least developed countries and is tied in with sound national policies. Gone is the era when certain ill-conceived policies were carried out largely because of the impasse in East-West relations. Democracy has become one of the catalysts of development. People - men and women - are both the protagonists and the beneficiaries.

The policy of growth must use market signals advisedly. It must be backed up by appropriate population policies. It must also involve policies of health, education, employment and environmental protection as well as policies for the protection of the poorest strata of the population.

Whatever sector I refer to, I see to what extent national policies and international co-operation are linked. That is why I welcome the strengthened partnership enshrined at the Paris Conference to combat and subsequently to eliminate the special vulnerability of the least developed countries. We shall

(Mr. Lemerle, France)

have to see at future round tables of the United Nations Development Programme (UNDP) and the Advisory Groups of the World Bank whether the commitments undertaken at the Paris Conference will be implemented.

Mr. MOHIUDDIN (Bangladesh): The Second United Nations Conference on the Least Developed Countries, held in Paris last September, marked the culmination of a major effort on our part. In Paris we agreed on a set of wide-ranging and concrete measures under a new programme of action in order to revitalize the socio-economic growth and development of these countries. We also adopted the Paris Declaration, solemnly committing ourselves to implement these measures during the present decade. Adoption of the Declaration and the Programme of Action demonstrated the extraordinary unity of purpose of the international community. Together, these documents reaffirmed our commitment to promote development in the least developed countries across a broad spectrum, on the basis of a spirit of genuine partnership and solidarity. The Declaration and the Programme of Action are aimed at triggering actions that would reverse the continued deterioration of the economic, social and ecological situation in the least developed countries and their increasing marginalization in the world economy. We resolved collectively to put them back on the path of sustained growth and development.

Today, I have the distinct honour and privilege to speak before this Assembly on behalf of the group of the least developed countries. The discussion of the problems of the least developed countries and the outcome of the Paris Conference at the level of this Assembly once again attests, without any doubt, to the importance with which the international community continues to view our development challenges.

Mr. President, I would be remiss if I did not pay a special tribute to you. In your inaugural statement in September you underscored and articulated most

(Mr. Mohiuddin, Bangladesh)

eloquently the need to reverse the development crisis that our countries face. We were deeply touched by your keen and abiding interest in the social and economic development of the least developed countries. We are beholden to you, Mr. President.

The Secretary-General of our Organization provided the leadership for the preparations of the Conference and contributed immensely to its outcome. We are grateful to him for his unwavering commitment to the cause of the least developed countries.

The experience of the least developed countries during the past decade was indeed traumatic. In 1981, the Substantial New Programme of Action for the 1980s adopted at the First United Nations Conference on the Least Developed Countries set before it the goal of transforming the economies of these countries into self-sustained development. It sought to provide at least a minimum standard of living to their teeming millions.

However, despite actions by the least developed countries and the sustained efforts of many of their development partners, the socio-economic conditions in these countries as a whole worsened. The growth of gross domestic product and progress in all major sectors fell well below the target set in the Substantial New Programme of Action. At the same time, the marginalization of the group of least developed countries in the world economy continued unabated. Their share in world exports dwindled to a mere 0.3 per cent in 1988, as compared to 1.4 per cent in 1960. The human dimension of their endemic crisis has also been most tragic. The ranks of the very poorest of the least developed countries has swelled, their unemployment has reached new heights, and health and education have suffered tremendous set-backs. Above all, the continued crisis and the endless suffering have sapped the very hope of their peoples.

(Mr. Mohiuddin, Bangladesh)

The factors contributing to this worsening situation are only too well known. Many of their problems are deeply rooted in the vicious interaction of poverty, rapidly growing populations and ecological degradation. The deleterious consequences of natural disasters and other emergencies added a major dimension to their development impasse. These were compounded by a stagnating or declining flow of development resources, mounting external indebtedness, persistent protectionist measures against the exports of least developed countries, a sharp decline in commodity prices and secular deterioration in their terms of trade.

The serious situation created in the least developed countries by this complex set of factors is morally and ethically unacceptable. The magnitude of the crisis restricting the economies of the least developed countries calls for extraordinary efforts to improve, significantly and irreversibly, the pace and quality of their development process. We need to forge an action-oriented global alliance capable of attaining this objective.

In Paris, we strove, together with our development partners, to identify the elements on which such an alliance could be founded. The Programme of Action adopted in Paris sets forth a comprehensive package of development policy and strategy that seeks to respond to this challenge.

The Programme provides a most valued framework for action for the least developed countries at all levels - national, regional and global. It contains several important features. The prime objective of the Programme of Action is to arrest further deterioration in the socio-economic situation of least developed countries, to reactivate and accelerate growth and development and, in the process, to set them on the path of sustained growth and development.

(Mr. Mohiuddin, Bangladesh)

The Programme goes beyond a linear model of growth. It enunciates four basic principles governing development partnership and elaborates a macro-economic policy framework. It is premised on the need for development to be human-centred and broadly based, enabling all actors in society to participate fully and freely in the development process.

(Mr. Mohiuddin, Bangladesh)

It emphasizes that men and women are the essential resources and beneficiaries of the development process. The Programme thus calls for measures for strengthening human capital through comprehensive action in three crucial areas: population policies, health services, and education and training. The Programme also focuses on the need to improve, expand and modernize the economic base of the least developed countries and on actions needed to infuse new dynamism and growth impulses in such key areas as agriculture, rural development, food security, industrial and service sectors, energy, physical and institutional infrastructure, and science and technology. In Paris the nexus between environmental degradation, poverty and underdevelopment was also at the centre of our discussion. It was agreed that actions are urgently needed to help the least developed countries in these interrelated but very important issues. We also agreed that specific measures would be needed to cope with the special problems of the land-locked and island least developed countries.

As with all our collective endeavours, the success of the Programme of Action for the Least Developed Countries will depend critically on the implementation and follow-up measures at both the national and the international level. The Governments of the least developed countries recognize that they have the primary responsibility for the development of their countries and the successful implementation of the Programme of Action. We appreciate the need to define and implement appropriate policies at the national level ensuring full involvement of the populations of the least developed countries in their development process. Let me assure the Assembly that, despite our most formidable structural handicaps and other numerous constraints, the least developed countries will strive to do their utmost to initiate such action in all the priority areas identified in the Paris Declaration and the Programme of Action.

(Mr. Mohiuddin, Bangladesh)

We must recognize, however, that, although national efforts are important, the international community cannot remain passive as the vulnerability of the least developed countries is compounded and their problems become more and more intractable. In a spirit of strengthened partnership, the Member States of the United Nations pledged in Paris to reinforce international support for the least developed countries in a number of key areas. These commitments are particularly important. We sincerely hope that they will be fully and expeditiously redeemed.

In the first place, the Programme of Action emphasizes that external financial support should be both sufficient in volume and efficient in terms of allocation. It has identified urgent measures to increase substantially the flow of development resources to the least developed countries. The Programme maps out for donors a specific set of aid targets. We are confident that our development partners will earnestly endeavour to attain these targets. We are sure that they will fulfil their pledges in this crucial area and help in the attainment of the important objective of providing adequate development finances to the least developed countries.

A comprehensive set of actions is also urgently needed to reduce decisively the burden of external indebtedness of the least developed countries. This problem was extensively discussed during the Paris Conference. We are confident that immediate action will be initiated by our development partners, multilateral financial institutions and other organizations, in keeping with the general direction outlined in the Programme of Action. Cancellation of, or provision of equivalent relief for, the official development assistance debt of the least developed countries should receive top priority in the implementation process. We hope that the Paris Club will initiate measures to improve the Toronto terms and in practice extend their coverage to all least developed countries. Early action on the various additional options proposed in this context is particularly important.

(Mr. Mohiuddin, Bangladesh)

We appeal to all concerned to act quickly on these and other important proposals. Urgent, concrete measures also need to be taken to deal with the debts of the least developed countries to the multilateral institutions. Some general recommendations on this important subject are made in the Programme of Action. They now need to be followed up with the adoption of specific measures. Continuous work on the evolution of policies and strategy and new agreement on future specific action in this area are an imperative necessity.

It is essential to provide greater assurance of stable export earnings by the least developed countries. The need for further progress in this area was particularly underscored in Paris. We hope that comprehensive agreements will be reached during the current Uruguay Round of multilateral trade negotiations to enhance significantly the access to markets of products of the least developed countries. We hope also that new, concrete measures will be taken to improve the generalized system of preferences, commodity price stabilization and compensatory financing to contribute effectively to the least developed countries' growth in the direction set forth in the Programme of Action.

The United Nations system will have a crucial role to play in the process of following up, monitoring and reviewing the implementation of the Programme of Action throughout the 1990s. The Conference decided to hold a medium-term review of the implementation of the Programme. Annual reviews will be conducted by the Trade and Development Board. We fully support the holding of an end-of-decade review, which would also consider the need for a further action programme for the least developed countries.

We also strongly believe that the strengthening of and improvement of the country review mechanisms should be a continuous process. The leadership of the Governments of the least developed countries, as a central factor in the national-level review process, must be strengthened. We hope that our development

(Mr. Mohiuddin, Bangladesh)

partners will provide adequate assistance to enable the least developed countries fully to discharge their role. The role of the United Nations Development Programme (UNDP) and its Special Measures Fund has been rightly identified as a key element in this regard. Recommendations to increase the resources of the Special Measures Fund and the United Nations Capital Development Fund should be implemented urgently.

Early action should be initiated to strengthen the focal points regarding the least developed countries in United Nations organizations and agencies and to render them identifiable. Such focal points, where they do not exist, should be established immediately and should be enabled to participate actively in the implementation of the Programme of Action.

An important recommendation of the Paris Conference is that the United Nations Conference on Trade and Development (UNCTAD) secretariat's Special Programme for the Least Developed Countries should be provided with sufficient capacity and resources to enable it to implement effectively and in good time its mandate relating to the Programme of Action. The Secretary-General has been requested to make proposals to this end. We look forward in particular to these proposals, as they are important for following up and monitoring the Programme, of which UNCTAD's Special Programme would be the global focal point. Increasing the resources of the Special Programme, financial and personnel, should be over and above its existing level of resources. It is our earnest hope that such a proposal would have the unanimous support of Member States. The Director-General for Development and International Economic Co-operation has an important role to play in putting into operation the commitments undertaken in the Programme of Action. We urge the Secretary-General to provide adequate facilities to enable his office to undertake this very important task effectively.

(Mr. Mohiuddin, Bangladesh)

The Paris Conference also invited our development partners, UNCTAD and United Nations agencies to assist the least developed countries to undertake consultations among themselves on matters of common interest to them in the context of the implementation of the Programme of Action.

I might mention here that the least developed countries themselves undertook a series of important initiatives during the entire preparatory process of the Conference. Besides numerous consultative meetings in New York and Geneva, Ministers of the least developed countries first met regionally in Addis Ababa and then globally in Dhaka. The Dhaka declaration and the Dhaka document contained the common position of the least developed countries on the issues before the Conference. A ministerial-level mission of the least developed countries visited a number of capitals of donor countries in June this year to hold consultations with their counterparts. Immediately following the Conference, Heads of State or Government of least developed countries participating in the World Summit for Children met last month to consider the outcome of our endeavours in Paris. Their declaration was a strong statement in favour of full, effective and timely implementation of all aspects of the Programme of Action. The efforts of the least developed countries serve to indicate the seriousness with which we are pursuing implementation of the Programme of Action, and need to be adequately supported. Representatives of least developed countries should be enabled to participate in annual and mid-term review meetings, and resources for such participation should be made available.

The economic growth and development of the least developed countries involves a long and arduous journey, but even the longest journey begins with a first step. We hope that the optimism generated by the consensus adoption of the Programme will not prove short-lived, as it was during the last decade. In implementing the measures agreed to in Paris we must proceed quickly, in a spirit of true

(Mr. Mohiuddin, Bangladesh)

development partnership, which is the key to the success of all our efforts. The Paris Declaration underscored that refusal to accept the marginalization of the least developed countries is an ethical imperative. This should inspire all our future endeavours. We should all be ready to shoulder this responsibility fully and with the much needed pragmatism and sense of urgency.

(Mr. Mohiuddin, Bangladesh)

Before concluding, I should like to express on behalf of the least developed countries our most sincere appreciation to the Government and the people of France for hosting the Paris Conference and for their extraordinarily generous hospitality, excellent arrangements and important contribution to the outcome of the Conference. I should also like to thank the Government of Japan for supporting the holding of the first Ministerial Meeting of the Least Developed Countries in Dhaka last June. Other Governments and United Nations organizations, agencies and programmes, including in particular UNCTAD and the Office of the Director-General for Development and International Economic Co-operation, deserve particular thanks for their support and assistance to various initiatives of the least developed countries. Finally, a special word of appreciation is due to UNCTAD for undertaking an elaborate process of preparation for the Conference and contributing to its outcome in a most commendable manner.

Mr. HATANO (Japan): My delegation would like to join in welcoming the unanimous adoption of the Declaration and Programme of Action at the Second United Nations Conference on Least Developed Countries, last September. The Conference was held amid growing international concern about the critical situation of the least developed countries, and in particular about their economic and social marginalization within the world community.

Despite the Substantial New Programme of Action adopted in 1981, the serious efforts of the least developed countries themselves and the generous support rendered by the international community, progress during the 1980s in overcoming the problems of the least developed countries has not been satisfactory. Some countries have even lost ground. Economic stagnation, coupled in many cases with a large increase in population and a resulting drop in per capita income, has led to an increase in the number of people suffering from poverty and hunger.

(Mr. Hatano, Japan)

Indeed, overcoming the critical problems confronting the least developed countries is a goal the international community should make the utmost effort to achieve during this decade. My delegation was therefore gratified that once again we have made clear our determination to attain this end on the basis of the spirit of consensus and partnership between developed and developing countries that emerged from the eighteenth special session of the General Assembly last April and that culminated in the adoption of the important agreement on an overall strategy for the development of the least developed countries.

Let me touch briefly on the three goals towards which we are committed to work during the 1990s in order to revitalize the economic growth of the least developed countries: first and foremost, domestic programmes for development; secondly, a sound international economic situation; and, thirdly, increased financial flows to least developed countries.

First, as the Programme of Action and the Declaration clearly state, the efforts of the least developed countries themselves are of paramount importance to the revitalization of their economies.

In particular, least developed countries should give priority in their national development plans to growth-oriented macro-economic policies and structural reforms; the development of human resources, including application of effective population policies; protection of the environment; promotion of rural development; and development of a diversified productive sector.

My delegation recognizes that these are areas in which the majority of these countries have already been making strenuous efforts, which often involve painful sacrifices. We earnestly hope that they will continue these efforts and that the international community will continue to render assistance.

(Mr. Hatano, Japan)

Secondly, the Conference confirmed the need for the international community to discharge its responsibility to support the efforts of the least developed countries to become self-reliant. It was emphasized that a sound international environment would contribute to their development and growth. The responsibility of developed countries in this regard is crucial, and efforts to reduce fiscal and monetary disequilibrium must be enhanced. At the same time, the open multilateral trading system is the essential framework within which to provide increased market access to all, including the least developed countries. It was significant that the Programme of Action confirmed the importance of the successful conclusion of the negotiations of the Uruguay Round of the General Agreement on Tariffs and Trade. For its part, my Government has accorded special treatment to the products of developing countries, and especially those of the least developed countries, permitting duty-free and ceiling-free tariff treatment for all products of least-developed-country origin covered by the Japanese generalized-system-of-preferences (GSP) scheme. In this connection, I may add that Japan is the largest contributor to the Common Fund, which can play an important role in securing stable earnings from commodity exports from least developed countries.

The third goal towards which we are committed to work is increasing financial flows to least developed countries. My Government is particularly gratified that the new Programme of Action, in contrast to the Substantial New Programme of Action of the 1980s, does not set unrealistic uniform targets for donor countries but, rather, adopts a menu approach, thereby providing a flexible and feasible framework which allows every country to pursue appropriate objectives as part of the concerted international effort substantially to increase the flow of aid to the least developed countries.

(Mr. Hatano, Japan)

In this regard, Japan has been working hard to expand its official development assistance, giving special attention to least developed countries. In accordance with the Substantial New Programme of Action of the 1980s, it worked towards the goal of doubling its official development assistance to least developed countries, which was attained in 1986, and since then has continued to expand its assistance systematically under its fourth medium-term target. At this stage, my Government acknowledges that the goal of devoting 0.15 per cent of gross national product to official development assistance has gained wide acceptance in the international community. I can assure the Assembly that, bearing this seriously in mind, Japan intends to continue its efforts to expand aid flows to the least developed countries during the decade.

(Mr. Hatano, Japan)

The debt burden under which many least developed countries labour was the subject of intense discussion at the Conference. My delegation would like to affirm that Japan is committed to continuing its active effort to assist least developed countries by providing appropriate new money on concessional terms and by granting debt relief, virtually cancelling its official development assistance loans to least developed countries. My country will continue to participate actively in any arrangement made within the framework of the Paris Club for the relief of other official debts of least developed countries.

Progress in implementing the Programme of Action must be kept under constant review, and the United Nations has a critical role to play in this respect, particularly with regard to deciding what concrete programmes should be carried out. It is in this context that my Government, together with the United Nations Capital Development Fund, will host a seminar specifically on the problems of the least developed countries next May in Tokyo. I may add that this seminar partly originates from my recent conversation here in New York with my colleague Ambassadors of Africa. My delegation strongly hopes that, with the participation of donor countries, the least developed countries and relevant United Nations agencies such as the United Nations Development Programme (UNDP) and the United Nations Conference on Trade and Development (UNCTAD), the seminar will make a concrete contribution to the work of following up the Declaration and the Programme of Action.

Mr. PANDAY (Nepal): My delegation is happy that agenda item 79 (c), on the problems of the least developed countries, is being taken up directly in the plenary Assembly. This underlines the importance and urgency attached by the international community to this question. The decade of the 1980s and in particular the year 1989 were marked by improved international relations offering

(Mr. Panday, Nepal)

new opportunities for peaceful co-operation throughout the world. The end of the cold-war period and the relaxation of tensions between the East and the West naturally raises the hope that the ongoing North-South dialogue will find new meaning and momentum. For it is obvious that there cannot be real peace when three fourths of humanity continues to live in poverty and deprivation. The worsening economic situation of the developing countries, particularly the least developed among them, thus becomes the major challenge facing the international community today.

Because of the time-limit, I shall not preface my remarks with an overview of the international economic situation but shall deal directly with the review and appraisal of the Substantial New Programme of Action for the 1980s for the Least Developed Countries.

The international community had long realized that it was imperative that proper actions be undertaken to alleviate the worsening situations in the least developed countries. However, significant action could only be taken during the thirty-sixth session of the United Nations General Assembly, when it adopted the Substantial New Programme of Action for the 1980s for the Least Developed Countries. The United Nations resolution emphasized the need for the international community's urgent and special attention to and continued support for the Substantial New Programme of Action for the Least Developed Countries. It further urged all donors to fulfil their commitments.

The Substantial New Programme of Action for the 1980s for the Least Developed Countries, as adopted, had three basic premises. First, the national measures required to be taken up by the least developed countries themselves, in view of their prevailing situations, were outlined. Secondly, the Substantial New Programme of Action for the 1980s dealt with the international support measures.

(Mr. Panday, Nepal)

Thirdly, it also laid stress on arrangements for implementation, follow-up and monitoring at the national, regional and global levels. On the face of it, the Substantial New Programme of Action for the 1980s for the Least Developed Countries seemed pretty sound. However, at the end of the decade of the implementation of the Substantial New Programme of Action, the least developed countries, rather than being well off, have fallen way down.

Conditions in these countries are worse than in the 1970s. As against the gross-domestic-product growth target of 7.2 per cent per annum in the decade, the actual average rate came to 2.2 per cent in the least developed countries. Moreover, some least developed countries even witnessed negative growth rate. Towards agricultural production, the actual rate came to only 2 per cent as against a 4 per cent target per annum, and the manufacturing output dwindled to only 2 per cent per annum against a 9 per cent target set in the Substantial New Programme of Action. The share of the least developed countries in world export shrank to a mere 0.3 per cent from 1.4 per cent in the 1960s. In all, the picture is totally disappointing.

The review of the worsening state of affairs of the least developed countries, despite the efforts made through the Substantial New Programme of Action, revealed that nothing worked well. There were policy shortcomings and a population explosion leading to more poverty and environmental degradation which rendered the proposed national measures ineffective. This was further compounded by natural disasters in many least developed countries. With regard to international support measures, so dearly required to prop up the economies of the least developed countries, there were more impediments than support in the decade. Depressed commodity prices, extremely difficult access to markets and inadequate aid-flows adversely affected the good-intentioned and well-defined support measures from the international community.

(Mr. Panday, Nepal)

The international experts, in their appraisal of the state of the least developed countries, point to the rigidities in the economies of the least developed countries, fiscal imbalances, monetary instability and pricing policies as obstacles that prevented the smooth functioning of the intended national measures. Further, they attribute the problems to the least developed countries' policies of giving an enhanced role to the State in development and paying less attention to individual initiative and enterprise. In addition, as many least developed countries had based their economic growth on domestic revenue and foreign exchange earnings, any adverse changes in the international economy were bound to make them highly vulnerable. The capital required for broad-based growth was available neither domestically nor from foreign private investment. The other input required - namely, the structural adjustments programmes - was adopted by many least developed countries but the result was not favourable. Proper attention was not paid to the specific developmental characteristics of individual least developed countries and greater emphasis was placed on restoring economic and financial stability in the short run, while the need for essential minimum investment in basic areas as a long-term measure was almost neglected. Furthermore, the step towards expanding traditional export through devaluation measures by the least developed countries did not materialize because of the commodity glut in the world market.

(Mr. Panday, Nepal)

The least developed countries were hardest hit by the international economic environment of the 1980s as the prices of primary commodities declined in the world market, whereas the prices of goods generally imported by the least developed countries rose continuously. The tariff and non-tariff barriers to the exports of least developed countries and the exclusion of some of those countries from enjoying the full benefits of the generalized system of preferences and special measures in favour of least developed countries discouraged their efforts towards diversification. While the need for substantial resources grew in the least developed countries in the 1980s as they were taking up structural adjustment programmes, the volume of official development assistance did not keep pace with their requirements. In addition, the private flows, namely export credits and direct investment, virtually disappeared. Some of the major international institutions were not geared to back up the efforts of the least developed countries, as those institutions have yet to recognize the least-developed-country category. In addition, cumbersome procedures, protracted negotiations and difficulty in meeting local costs have been identified as the major problems impeding the timely flow of resources. External debt servicing became a major problem for most least developed countries in the 1980s.

Fully realizing that the refusal to accept the marginalization of the least developed countries was an ethical imperative and corresponded to the long-term interests of the international community, the participants in the Second United Nations Conference on the Least Developed Countries agreed on concrete measures under a new Programme of Action to revitalize the development of the least developed countries. As in the previous Substantial New Programme of Action, the thrust of the Programme of Action, in conformity with the Paris Declaration, rests upon three premises: first, the effectiveness of national policies which should be

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aimed at accelerating long-term growth and development is deemed to be of paramount importance; secondly, the external support, agreed to by the international community, entails a substantial increase in development assistance, the bulk of which will be provided in the form of grants; thirdly, the follow-up and monitoring of the effective implementation of the Programme of Action for the 1990s will be carried out more effectively at the national, regional, and global levels.

In charting the New Programme of Action for the Least Developed Countries for the 1990s, many of the shortcomings experienced in the past decade have been removed. Emphasis is now being placed on long-term development while maintaining economic and financial stability in the short run. Proper attention to the specific developmental characteristics of individual least developed countries and emphasis on private initiative and enterprise are some of the significant elements of the New Programme of Action for the 1990s.

The Programme of Action covers many important areas of activity and provides an integrated and complete package for the least developed countries. With regard to international support measures, apart from commitments that are made by the international community, the nature and method of assistance is clearly defined in the Programme of Action. Furthermore, the follow-up and monitoring mechanisms have been made more effective with clear-cut responsibilities at all levels.

My country, Nepal, is at the threshold of a new beginning with the restoration of a multi-party democratic system guaranteeing full human rights and a much desired system of accountable government. The interim government, while consolidating democracy under a stable political system, is also engaged in the development of the economic and social sectors in Nepal. Nepal is poised to face the new challenges offered by the international community in the form of national action, as defined in the Paris Declaration, and it is fully determined to carry

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out its responsibilities in a forthright manner. However, as a least developed country Nepal has very limited options for economic development. The lack of essential resources in the country, coupled with its land-locked state, further restricts us in our development efforts.

Nepal supported the initiatives of the Substantial New Programme of Action for the 1980s. It has undertaken a structural adjustment programme despite various problems and limitations, and it intends to continue the programme in the 1990s. Although we agree to the need for adjustment, we strongly hold the view that the programme of adjustments for the 1990s should be based on the specific needs of the individual country. The alleviation of poverty in the least developed countries should be viewed as a primary concern and not as a residual measure. The responsibility of the international community in creating a favourable international economic environment, relevant policy measures and institutional systems to support the programmes cannot be overemphasized.

As the least developed countries in general have limited development options, the donors should not have any restrictive policies on the flow of assistance to least developed countries in the name of demographic and environmental concerns. We have always held the view that the primary function of foreign aid is to buy enough time to mobilize and manage internally generated momentum for growth. It cannot be a substitute for our internal efforts.

In the new context, there is also a need better to gear technical assistance to the task of institution building aimed towards enhanced institutional performance. In our vigorous efforts aimed at survival and the modest development of our economies, the importance of the role of the developing countries in the region cannot be overstated. However, in spite of the realization of the importance of regional co-operation for both the developing and the least developed countries, not much has been achieved in the field of economic co-operation and

(Mr. Panday, Nepal)

activity. There is a dire need to pursue this activity for the betterment not only of an individual country but also the entire region. It is all the more essential in the context of new and larger markets created by the concept and near reality of economic integration in Europe.

Globally, the important role played by UNCTAD for monitoring implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries and for the preparation of the Second United Nations Conference on the Least Developed Countries is to be commended. The Conference assigned a very important role to UNCTAD in monitoring and reviewing the implementation of the Programme of Action at the global level. In order to make the necessary links between the follow-up at the national and at the global level, we strongly recommend that the UNCTAD secretariat continue to participate in the UNDP round-table process and the World Bank consultative group process. We therefore fully support that UNCTAD's special programme for the least developed countries be provided with sufficient capacity and resources to enable it to implement effectively its mandate for this programme on a timely basis. We look forward to receiving a concrete proposal from the Secretary-General in this regard.

In conclusion, my delegation is confident that, with prudent economic management nationally and strong external support, we can achieve the goals set out in the Programme of Action for the Least Developed Countries for the 1990s. We are all convinced that there is no reason for a group of countries to remain underdeveloped and to be labelled as least developed. Let us make our best efforts. Together we can do it.

Mr. SILOVIC (Yugoslavia): The difficult economic and social situation in the least developed countries is one of the gravest problems that the international community is faced with today. It is therefore understandable that the highest body of our Organization gives to that problem its special attention. This year, perhaps more than ever before, it should do so, since two months ago the Second United Nations Conference on the Least Developed Countries adopted the Programme of Action for the Least Developed Countries for the 1990s, a balanced document, I may say, of far-reaching importance.

In Paris we undertook a thorough overview of the implementation of the Substantial New Programme of Action for the Least Developed Countries in the 1980s. The picture that came through was bleak: the situation in most of the least developed countries at the end of the decade was worse than it was at its beginning. Whereas in the developed world major improvements have been achieved in standards of living, the per capita income of least developed countries as a group actually declined during the decade. Let me recall that recent estimates put the annual per capita income of these countries at about \$200, one seventieth of that of the developed market economies.

It is also estimated that the gap between the least developed countries and the developed world is widening. I am convinced that we all realize that such a situation is untenable and that such tendencies cannot continue for very long. As my Foreign Minister said in Paris, also not only because the tragic circumstances of one tenth of humanity are a moral issue for the remaining nine tenths but also because the social and political upheavals likely to be generated threaten the peace, stability and security of all of us.

(Mr. Silovic, Yugoslavia)

My country welcomes the results of the Paris Conference and fully supports the documents adopted. At the same time, we understand why some participants, particularly countries receiving assistance, may have mixed feelings about the outcome of the Conference. However, such an outcome, in the opinion of my delegation, was the realistic, balanced solution that was possible in the circumstances. There could always be a better outcome, yet there is also much reason for optimism with respect to the implementation of the provisions of the Programme of Action that was adopted.

First, the world of today, rid of cold-war tension, ideological constraints and resulting confrontation, has a better chance of dealing more effectively with all, even the most pressing, international problems. Accordingly, development issues, and among them notably the eradication of poverty, should be addressed more forcefully and accorded their rightful place among the priorities of the international community. Also, at a time when the world is burying the hatchet, we have every right to hope, with the ancient prophet whose words have been an inspiration to many generations, that it will turn swords into plowshares and spears into pruning hooks and that at long last we shall stand to reap the benefits of peace benefits.

Secondly, the Programme of Action was adopted by consensus, which makes it different from the Substantial New Programme of Action adopted, with reservations, in 1981. If the implementation of the Substantial New Programme of Action was hampered by the lack of a consensus on its major provisions, the Programme for the 1990s has no such impediment and opens up much broader prospects for the least developed countries.

Thirdly, we have every reason to believe that all countries have comprehended that they must, and are ready to, assume full responsibility for their own

(Mr. Silovic, Yugoslavia)

development and well-being. The Declaration of the special session of the United Nations devoted to international economic co-operation, held last May, the Paris Programme of Action and the International Development Strategy for the Fourth United Nations Development Decade provide ample evidence of that understanding and resolve. As my country sees it, this principle calls for the removal of institutional, organizational and political constraints that impede economic growth, for the full mobilization of all available human and material resources and for the restructuring of our economies.

This last point merits a few additional words. As often happens, things are easier said than done in real life. Reforming the existing or adapting to a new social and economic system is a formidable task for each and every society; it is even more so for the least developed countries. Furthermore, with underdeveloped economic infrastructures, a lack of adequate technological and human resources, a high level of dependence on commodity exports, and so on, they are severely restricted in their efforts to integrate within the world economy. Some of them are unable to reach even the minimal necessary starting position that would enable them to embark upon the path of sustained growth and to enter into international competition on a footing of equality.

These difficulties hampering the least developed countries, in the opinion of my country, must be taken fully into account as we move into the first year of the implementation of the Programme of Action. The economic criteria for extending assistance to countries in need, which we consider to be justified in most cases, should be moderated and interpreted flexibly in the case of the least developed countries.

In conclusion, I reiterate the readiness of my Government to assist the least developed countries in every possible way. Yugoslavia, a developing country

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itself, has modest resources, nevertheless it will continue to extend assistance in the best tradition of solidarity among developing countries to those that need these resources even more. We also believe that intensification of economic co-operation among developing countries offers abundant possibilities for economic exchanges beneficial to the least developed countries.

Finally, let me express the hope of my delegation that we shall all invest our best efforts in implementing consistently the Programme of Action for the Least Developed Countries for the 1990s in the interest of these countries, as well as that of the entire international community.

Mr. JIN Yongjian (China) (interpretation from Chinese): This year marks the final year for the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries. The Second United Nations Conference on the Least Developed Countries, which was held in Paris last September, achieved positive results. The Conference reviewed the implementation of the Substantial New Programme of Action and adopted the Programme of Action for the Least Developed Countries for the 1990s and the Paris Declaration. The adoption of the Programme of Action is of great significance in reinvigorating the economies of the least developed countries.\*

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\* Mr. Mavrommatis (Cyprus), Vice-President, took the Chair.

(Mr. Jin Yongjiar, China)

The 1980s witnessed a most unbalanced pattern of world economic development. On the one hand, science and technology advanced by leaps and bounds, and the developed economies maintained their long-standing, sustained growth. On the other hand, the developing countries suffered serious setbacks in their development process. This resulted in an even wider wealth gap between North and South, the the least developed countries facing an ever-worsening economic and social plight. For those countries the past decade was one of retrogression.

The Substantial New Programme of Action adopted at the United Nations Conference on the Least Developed Countries in 1981 was aimed at helping those countries develop their economies and providing minimum living standards and job opportunities for their peoples. In spite of the efforts of the least developed countries to develop their national economies over the past 10 years, their economic and social conditions, instead of improving, have worsened further. This has been caused by their highly fragile economic base and the frequent natural disasters. In particular, they are confronted with an adverse international economic environment, with falling prices for primary products, worsening terms of trade, growing debt burdens, mounting protectionism and dwindling official development assistance. Yet another reason is the failure to implement the Substantial New Programme of Action in real earnest. The targets set out in the Programme are far from being met. Even worse is the fact that in the past decade the number of least developed countries increased from 31 to 41, with one developing country per year reduced to the status of a least developed country. This is a great misfortune for the international community.

The economic development of the least developed countries must come about through their own efforts. However, as the world economy is interdependent, the success or otherwise of the development efforts of the least developed countries depends to a large extent at present on the external economic climate and the

(Mr. Jin Yongjian, China)

support of the international community. For this reason, the question of how to lift these countries out of poverty and backwardness in the 1990s has become a pressing issue for the world community.

The adoption of the Programme of Action for the Least Developed Countries for the 1990s and of the Paris Declaration is a reflection of the political will of the international community and its recognition of the measures it must take to help the least developed countries to develop their economies. The Substantial New Programme of Action was not implemented satisfactorily; we hope that the international community will analyse that experience, draw the necessary lessons and properly implement the Programme of Action for the 1990s, with a view to contributing to the economic development and social progress of the least developed countries.

We fully support the provisions of the Programme of Action to the effect that the Secretary-General of the United Nations, in close co-operation with the Director-General for Development and International Economic Co-operation, the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD), the Executive Secretaries of the United Nations regional commissions and the lead agencies for the aid groups, should ensure at the secretariat level the full mobilization and co-ordination of all organs, organizations and bodies of the United Nations system for the purpose of implementation and follow-up of the Programme of Action; and that UNCTAD's Special Programme for the Least Developed Countries should be provided with sufficient capacity and resources to enable it to implement effectively its mandate for this Programme on a timely basis.

As is indicated in the Paris Declaration,

"We believe that the deterioration in the economic, social and ecological situation of most of the least developed countries during the 1980s is not irreversible." (A/CONF.147/Misc.9, p. 1)

(Mr. Jin Yongjian, China)

If the least developed countries, the international community and the developed countries, in particular, can make a concerted effort and strengthen their co-operation to create appropriate internal conditions in the least developed countries and provide a favourable external economic environment, the difficult situation of the least developed countries will be improved.

China is a developing country with a large population and, like other developing countries, it is confronted with the difficult task of developing its economy and raising its people's living standards. Although China is a low-income developing country with limited economic capacity, it has, in order to fulfil its international obligations, done what it can to provide economic and technical assistance to the third world countries, and especially to the least developed countries. Although our assistance is on a small scale, it reflects the desire of the Chinese Government and people for sincere co-operation and common development with the least developed countries. In future, with the development and improvement of our national strength in the economic and other fields, we will try our best to expand the scope and range of economic co-operation with the least developed countries and help them lift themselves out of poverty.

Mr. GEBREMEDHIN (Ethiopia): My delegation fully endorses the statements by the representative of Bolivia, who spoke on behalf of the Group of 77, and by the representative of Bangladesh, the co-ordinator of the group of least developed countries.

A programme of action in support of the least developed countries during the 1990s has become an imperative necessity. This necessity, however, emerges not from the need for continuity but from the failure to attain the objectives set forth in the Programme for the preceding decade. When the Substantial New Programme of Action for the 1980s was adopted in 1981, a similar rationale and international pledge to help the least developed countries underlay its formulation.

(Mr. Gebremedhin, Ethiopia)

The Substantial New Programme of Action exercise, as we all recall, was intended to promote the structural changes necessary to enable the least developed countries to overcome their extreme economic difficulties, to provide fully adequate and internationally acceptable living standards for the poor, to identify and support major investment opportunities in those countries and to help mitigate the adverse effects of disasters.

As regards development finance, a solemn pledge was made by the international community to achieve the target of 0.15 per cent of donor gross national product, in the form of official development assistance, to meet the resource needs of the least developed countries. While we acknowledge that a small number of donors fulfilled this pledge, even exceeding the aid target in some cases, the aid given by most countries fell far short of expectations.

Overall, therefore, the achievements of the Substantial New Programme of Action for the decade failed to make any discernible impact on the social and economic lives of our peoples. On the contrary, despite the enormous efforts by the least developed countries, not only did the number of least developed countries increase during those 10 years, particularly in Africa, but those already on the list grew poorer and more vulnerable than they had been a decade ago. This has been confirmed by the United Nations Conference on Trade and Development (UNCTAD), which has indicated that the share of least developed countries' exports in world trade declined from 1.4 per cent in the mid-1960s to 0.3 per cent in 1988. Likewise - a sign of their marginalization - the least developed countries' import share declined from 1.6 per cent to 0.6 per cent over the same period.

These figures may show only a partial picture of the malaise; the essence of it is, however, that today over 420 million people in 41 countries are once again earnestly pleading for something better in their daily lives. Their hopes lie in

(Mr. Gebremedhin, Ethiopia)

the successful achievement of the objectives of the Programme of Action for the 1990s.

The majority of the least developed countries find their economic and social conditions worsening. It is in recognition of this fact that, in the Programme of Action for the 1990s, the prime objective outlined is the need to arrest the deterioration in these countries before it goes any further by reactivating and accelerating their economic growth and development and, in the process, putting them on the path of sustained growth and development.

This objective is indeed welcome, but the challenge must be faced squarely both by the least developed countries and by the international community, whose assistance and support are the most vital ingredients for the success of this collaborative undertaking.

(Mr. Gebremedhin, Ethiopia)

We recognize that the primary responsibility for the development of each least developed country falls on the country concerned; none the less, given the evolution and organization of the increasingly interdependent international economic system, no less is the responsibility of the developed countries in creating a favourable international environment in which the national efforts of the least developed countries could bear fruit. I have in mind in particular the need for our development partners to improve the quality and quantity of aid and fulfil their share of responsibility in such important areas as the need for increasing resource flows in which official development assistance is the principal source of external support for the least developed countries, relief from external debt and debt servicing, the creation of a stable and equitable international trading system responsive to the least developed countries, and assistance for the diversification of commodity production and the strengthening of compensatory financing systems for sudden and unforeseeable shortfalls in earnings.

In view of the ecological problems faced by my country, we cannot emphasize enough that environmental rehabilitation and management is another area where donors could contribute a great deal to help the least developed countries cope with disasters and pursue environmentally sound and sustainable development.

Ethiopia, as a least developed country, is determined to see the successful implementation of the Programme of Action for the 1990s. For its part, it has embarked on a number of economic reform measures, among which the enhancement of the role of the private sector has become an indispensable component of the country's mixed economy. Under the new policy all forms of business - public and private enterprises - are being encouraged and provided with the opportunities to operate on the basis of competitiveness and profitability. A new investment code has also been promulgated, aimed at removing restrictions on areas of operation for both domestic and external concerns. Indeed, for Ethiopia these measures represent

(Mr. Gebremedhin, Ethiopia)

a fundamental shift of policy, the underlying motive of which is the stimulation of economic growth and national productivity. Side by side, as is very well known, the Ethiopian Government has also undertaken several initiatives to resolve the internal conflicts through peaceful means with a view to diverting scarce resources towards development.

In spite of these positive and constructive measures, the international environment has not proved to be supportive. The price of our principal export, coffee, has for more than a year and a half now continued to suffer a serious decline, depriving the country and its farming population of huge earnings. Moreover, before we have recovered from such heavy losses we are now being confronted with the steep increase in the price of oil resulting from the crisis in the Gulf. Like other countries in a similar position because of these negative situations, we are also concerned that development in general, and the pace of economic reform and restructuring measures in particular, are being put to severe strain. In this regard, my delegation joins the many that at this session of the General Assembly have underlined the need for international solidarity and concerted action in these areas in support of the least developed countries.

We believe that the time has now come to move from rhetoric to action. This last decade of the century must witness the translation of the commitments which the international community has undertaken in favour of the least developed countries into concrete and meaningful actions to narrow the frontiers of poverty. The yawning gap between the haves and the have-nots needs to be narrowed. As the Paris Declaration put it, refusal to accept the marginalization of the least developed countries is an ethical imperative to which the international community must recommit itself. The principle of shared responsibility established in the Programme of Action now requires the transformational needs and the question of economic growth and development of the least developed countries to be placed at

(Mr. Gebremedhin, Ethiopia)

the forefront of the major challenges before the international community. As countries locked in the vicious circle of poverty and stagnation, the severe problems and enormous needs of the least developed countries require more than sympathetic words and must be viewed in the light of their long-term implications.

In other words, putting into effect what was agreed upon in Paris must become an inescapable responsibility in keeping with the noble objectives the Programme of Action is intended to achieve.

Further, the shared-responsibility-and-strengthened-partnership approach also demands full recognition of the specific circumstances, particular problems and needs of each least developed country. Reform measures being set as conditions for assistance must reflect the realities in each and every least developed country and also be able to look beyond short-term gains in budget and fiscal policies. Here I must emphasize that a good deal of political will and dialogue must remain the basis of the exercise. Given concerted efforts, my delegation is confident that the Programme of Action for the 1990s will not, like its predecessor, prove to be a forgotten document by the end of the century.

Mr. NYAKYI (United Republic of Tanzania): Once again States Members of the United Nations have an opportunity to focus attention on the plight of the least developed countries of the world. The conclusions of the recent United Nations Conference on the Least Developed Countries, held in the summer in Paris, further demonstrated how vulnerable these countries are in the continuing malaise afflicting the international environment. The increase in their number from 30 to 41 between 1981 and 1990 testifies to the worsening of the plight of the least developed countries. Not unexpectedly, the African continent has been hardest hit. It saw the number of its least developed countries rise by 7 from 21 to 28 in the period between the two conferences.

(Mr. Nyakyi, United Republic  
of Tanzania)

Nothing in recent years has demonstrated the vulnerability of the least developed countries more dramatically than the Western response to the changes in Eastern Europe and the Gulf crisis. The overwhelming support for the changes in Eastern Europe and the multi-billion dollar emergency assistance organized for the countries of the Gulf region most adversely affected by the Iraq-Kuwait crisis are in sharp contrast to the international response to the plight of the developing countries generally and the least developed countries in particular. The energy bill, already intolerable for all least developed countries, has had a crippling effect on the economies of these countries. Yet apart from acknowledging the severe crisis faced by these countries little has been done to alleviate it.

The least developed countries cannot succeed in breaking the vicious circle of poverty if those responsible for the management of the world economy continue to ignore the need for structural changes in the present economic system. It cannot be stressed often enough that in this increasingly interdependent world decisions which affect the majority of humanity cannot remain the preserve of the few powerful countries and the multilateral institutions which they control. In the long run it is not even in the best interests of the economically powerful nations to continue to preserve a system that is manifestly unfair. As many prominent people have warned, there is now a real danger that as the East-West tensions disappear and as the economic problems of the third world intensify and deepen the world could find itself embroiled in a conflict along the North-South divide.

(Mr. Nyakvi, United Republic  
of Tanzania)

The two Paris Conferences identified the areas where concerted international action is required to alleviate the plight of the least developed countries. The area of trade liberalization is critical. In this respect, the developed countries must be willing to accord a fair share of trade to the least developed countries and other developing countries in the world markets. The developed countries must allow manufactured goods from the least developed countries and other developing countries to compete in their markets. Similarly, the fall in the prices of primary commodities from the least developed countries and other developing countries must be halted, and full access of their products to the markets of the industrialized countries, free from trade barriers of any kind, should be ensured.

In this connection, it is necessary that the ongoing Uruguay Round of Multilateral Trade Negotiations not be allowed to fail at the concluding session of the negotiations next month. In present conditions the least developed countries and other developing countries are at the mercy of the whims and vagaries of the international market place. Unable to control the prices of their products, they find themselves compelled to accept those dictated by the consumer markets in the industrialized countries. Any further delay in concluding the Uruguay Round will therefore only succeed in aggravating their plight.

We welcome the efforts made so far to help the least developed countries. But we must stress that they are inadequate to address the host of problems that these countries are faced with. In most cases the increase in assistance has been only nominal, not in real terms, owing to inflation and unpredictable currency exchange rates. As we have already observed, the oil shocks at different periods, including the current one brought about by the Gulf crisis, have had devastating effects on weak economies, particularly those of the least developed countries. An immediate solution to the Gulf crisis will not only provide an opportunity for a lasting peace

(Mr. Nyakyi, United Republic  
of Tanzania)

in the region: it will also prevent another world economic recession similar to the one experienced during the 1970s that led early in the 1980s to the eruption of the existing debt crisis. The impact of this crisis is felt both in developed countries and in developing ones, and in particular in the least developed countries.

Many least developed countries have embarked on a number of recovery programmes, including structural adjustment programmes, in an effort to revive their economies. These programmes and other development efforts will not yield the envisaged results if the international community does not take bold supportive measures in a number of critical areas. As so many least developed countries depend on a few primary commodities, guaranteeing stable prices for their primary products is absolutely essential. A halt must be brought to the net flow of resources from the least developed countries to the industrialized countries. The persistent reluctance of the industrialized countries to provide for or facilitate the transfer of appropriate science and technology to the least developed countries in order to enable them to increase their productivity must be overcome. While additional physical capital is essential to promote increased productivity, urgent supportive action in the area of environmental protection is also an important consideration, which has to be taken into account by the international community. Environmentally sound technology will not only protect the environment from further degradation: it is also one of the most important production factors in the fight to eliminate poverty.

It is now accepted that the Programme of Action for the Least Developed Countries adopted in 1981 failed to attain its objectives. Except in a few isolated cases, the commitments contained in it have not been implemented by the parties concerned. Since resource flows into the least developed countries fell

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of Tanzania)

short of the targets, they were able to cover only a few programmes. Not surprisingly, as I have already observed, the number of least developed countries, instead of decreasing, has increased steadily - from 30 in 1981 to 41 at present. And the host of problems facing them that cannot realistically be solved through a piecemeal approach has also increased. An integrated approach with an appropriate setting of priorities is therefore necessary to cover all sectors of the economy. The hope of the least developed countries for relief from their problems depends greatly on the steady and timely provision of sufficient additional resources.

The agreement on the New Programme of Action at the Second United Nations Conference on the Least Developed Countries was reached on the firm basis of the Declaration, adopted by consensus during the eighteenth special session of the General Assembly, on International Economic Co-operation, in particular the Revitalization of the Economies of the Developing Countries. This Declaration has now been reinforced by the adoption by the Assembly's Ad Hoc Committee of the Whole of the International Development Strategy for the Fourth United Nations Development Decade. To facilitate the realization of the objectives in the New Programme of Action for the Least Developed Countries, it is important that the commitments contained in these two consensus documents should be fully implemented.

It is my delegation's hope that, in addition to the attainment of the targets of devoting 0.15 per cent and 0.2 per cent of the gross national product of the industrialized countries to official development assistance to the least developed countries, other equally important measures will be undertaken by the industrialized countries. These include cancelling all official development assistance debts of the least developed countries and, so far as possible, their non-concessional debt as well. Measures aimed at alleviating the debt-service obligations of the least developed countries to multilateral financial institutions

(Mr. Nyakyi, United Republic  
of Tanzania)

also need to be undertaken as a matter of urgency. In this connection, it should be noted that the least developed countries' outstanding obligations to the International Monetary Fund and the World Bank in their total debt burden have become more onerous, and the effects of the new soft-term support facilities in favour of low-income countries, structural adjustment facility and enhanced structural adjustment facility have not been very significant. All these measures are spelled out in the new Programme of Action adopted in Paris. It is important that all parties concerned include those measures in their own programmes for implementation.

My delegation is aware of the fact that the least developed countries themselves are primarily responsible for their own development. These countries are eager to break their vicious cycle of poverty in order to achieve sustained economic growth and development for improving the living standards of their people. It is unrealistic, however, to expect these countries to continue carrying out painful policy reforms which are not covered by adequate resources. The support of the international community for the efforts of the least developed countries will ensure their political as well as economic stability and thus ultimately help to promote world peace and security.

The challenges ahead are formidable, but not insurmountable. With proper co-ordination through this body, involving all the parties concerned, it is possible to overcome the prevailing endemic development crisis in the least developed countries and to bring about an improvement in their socio-economic situation, allowing for the elimination of poverty and the raising of the living standards of the people of those countries.\*

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\* The President returned to the Chair.

Mr. McLEAN (Canada): Last September I had the honour to lead Canada's delegation to the Second United Nations Conference on the Least Developed Countries in Paris. For me this was an honour and an opportunity to continue my interest in and concern for the developing world. I started my professional life living and working for five years in Nigeria and have retained a lasting affection for the African continent. The Conference in Paris was therefore an occasion for me to renew friendships with leaders from Africa and around the world. It was also an opportunity to share in efforts to convey the urgency of the situation in the least developed countries, so many of them African, as the representative of Tanzania has just reminded us.

The Second United Nations Conference on the Least Developed Countries was an important meeting.

First, it was an opportunity for leaders and Governments around the world to reaffirm their commitment to the process of development and to the eradication of poverty in the least developed countries. Despite the crisis in the Gulf region which at times seemed to overshadow the Conference, Governments recognized that official development assistance plays an essential role for the least developed countries and that its amount should be substantially increased.

Secondly, Governments from all parts of the globe agreed by consensus to a programme of action. This Programme sets out the broad policy directions covering important subjects, such as macro-economic policy, structural adjustment, enterprise and market-based reforms, and environmental degradation. Governments agreed also on specific measures needed in health, education, agriculture and nutrition.

Thirdly, after much discussion, consensus was reached on measures required to be taken by and for the debt-distressed countries among the least developed countries in order to tackle this onerous burden and so contribute to the

(Mr. McLean, Canada)

restoration of economic health. Suggestions were made on specific measures. These are being discussed in the relevant bodies, including the Paris Club. For example, Canada has worked and will continue to work with other Governments towards reaching agreement on additional measures of debt relief for those eligible for the Toronto Terms.

Finally, and this is perhaps the single most important result, participants in the Conference affirmed the importance of democratic freedoms and institutions in the development process. Throughout the document, it is recognized that it is only with democratic institutions and freedoms, only with effective and accountable Government administration, and only with a fair judiciary that individuals and communities will be able to seize opportunities and develop their potential.

In preparation for the Second United Nations Development Conference on the Least Developed Countries, the United Nations Development Programme (UNDP) prepared a booklet entitled "Human development in the least developed countries". This booklet presented very stark statistics concerning the least developed countries. It conveyed the magnitude of the task before us. Several statistics illustrate what must be done.

Striking and devastating are the figures on gross national product per capita. In 1987, for example, the average per capita gross national product of the least developed countries was less than 3 per cent of that of the industrialized countries. In 1987, the gross national product per capita averaged \$300, whereas the same figure for the industrialized countries was \$10,760. Whatever we may say about development being a concept broader than simple economics, the fact remains that, without continuous and significant economic growth, poverty will not be eradicated in the least developed countries. Without growth, for example, Governments do not have sufficient revenues to deliver basic human rights to food security, to health and to education.

(Mr. McLean, Canada)

The next statistic I wish briefly to discuss relates female literacy to population growth. A fascinating chart produced by UNDP shows that there is a clear link between these two factors, especially when literacy rates exceed 50 per cent. For example, as female literacy rates approach 80 per cent, population growth drops to around 2 per cent; whereas in countries with female literacy rates of only 20 per cent, population growth levels reach 3 per cent. We cannot ignore the fact that women have special needs and problems. These require urgent attention, and efforts devoted to these problems will also have significant benefits for others; think of their children, their families.

Human resource development must be central to the development process. As the Permanent Representative of Bangladesh stated here a few moments ago,

"... men and women are the essential resources and beneficiaries of the development process." (supra, p. 31)

Women play a vital role, for example, in the all-important agricultural sector. Yesterday the former Foreign Minister of Ghana, Mrs. Gloria Nikoi, spoke here at the United Nations at the Fifth Symposium for Advocates for African Food Security, which highlighted women's initiatives. She urged that the invisible work of women be recognized and that they be full partners in programme planning processes. She stressed the urgent need for small loans to be made available for rural women, who are the major food producers.

The UNDP booklet on Human Development in the Least Developed Countries, to which I referred earlier, sets forth the policy options which face these countries. While similar in many respects, the differences among the least developed countries are quite large. For example, Malawi and Botswana spend more than double the least developed countries average on health as a percentage of gross national product. Somalia, Mauritania and Yemen stand out for their relatively high expenditures on education.

(Mr. McLean, Canada)

Finally, let me note, as a sad commentary, that during the past 30 years military expenditures, expressed as a percentage of gross national product, doubled among all least developed countries. Among developing countries as a whole, military expenditures relative to the gross national product also increased. But for this larger group it rose by 25 per cent instead of the 100 per cent by which it rose for the least developed countries. In industrialized countries, on the other hand, military expenditures declined as a percentage of gross national product. In the midst of tragic human need, the rapid growth in military expenditures of the least developed countries are clearly unjustified. Security must be found in non-military means so that precious funds can be released for people programmes.

I have highlighted these statistics because they express and underline one of the prime lessons that I drew from the Second United Nations Conference on the Least Developed Countries, that is, that whatever the amount of resources available, even if they are few, we can make choices. These choices affect the lives of our people for better or for worse. These policy choices are the fundamental building blocks for a better future. They are choices upon which freedom from poverty and disease can be built. It is surely incumbent on us all to choose wisely. The resources available must be deployed in an effective manner.

(Mr. McLean, Canada)

Canada will continue to place the highest priority in its development assistance programme on the needs of the poorest people, and in particular those in the least developed countries. We will continue to target 0.15 per cent of gross national product for these countries in support of their effective efforts. We will provide help to countries undertaking necessary economic reforms. We will help build schools, clinics and roads. We will help when natural or other disasters threaten the survival of your peoples. And we will work with your Governments, the international community and interested individuals to implement the Programme of Action for the coming decade.

The meeting rose at 1.15 p.m.